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FISCAL IMPACT REPORT

ORIGINAL DATE 1/30/2007

SPONSOR Salazar LAST UPDATED 2/16/2007 HB 130/aHEC

SHORT TITLE NM State School Degree Programs SB _____

ANALYST Moser

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|-----------|-------------------------|------------------|
| FY07 | FY08 | | |
| | \$1,000.0 | Recurring | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

SUMMARY

Synopsis of HEC Amendment

House Education Committee amendment to House Bill 130 reduces the appropriation from \$3,000,000 to \$1,000,000 and makes minor technical changes.

Synopsis of Original Bill

House Bill 130 appropriates \$3,000,000 from the General Fund to the Board of Regents of Northern New Mexico State School for expenditure in FY 2008 through FY 2010 to start new Bachelor's and Master Degree programs.

FISCAL IMPLICATIONS

The appropriation of \$3,000,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2010 shall revert to the general Fund.

SIGNIFICANT ISSUES

Northern New Mexico College is a two-year and four-year degree granting institution of higher learning. Accredited by the North Central Association of Colleges and Schools, NNMC offers degrees in business administration, teacher education, nursing, radiography, biology, and engineering.

Nearly 65 certificate and degree programs are offered on the Espanola campus including but not limited to: Accounting, Business Administration, Computer Science, Design Foundation, Computer Aided Drafting, Early Childhood Education, Fine Arts, Human Services, Library Technology, Micro Electronics, Management Information Systems, Nursing, Radiography, Science, Substance Abuse Counselor, Welding Technology

The College was granted accreditation status to offer associate and Bachelor degrees by the Higher Learning Commission (HLC) of the North Central Association of Colleges and Universities in 1982. In December 2006, the HLC notified NNMC of the extension of accreditation to include new Bachelors programs in Business Administration, Biology, Environmental Science, Information technology, and Integrative Healing. The Higher Education Department has also reviewed and approved these Bachelor degree programs (HB 130 Agency Bill Analysis, 1/19/2007).

The New Mexico Higher Education Department (NMHED) has statutory responsibility to review new undergraduate and graduate programs proposed by state universities as part of its authority for statewide planning and oversight of postsecondary education. The Post-Secondary Educational Planning Act, specifically Section 21-2-5 NMSA 1978, authorizes HED to conduct statewide planning, including analyses of state needs for postsecondary educational programs.

The College is not accredited to offer graduate degree programs. Graduate degrees will require approval by the Higher Learning Commission, HED, and the Board of Finance.

This proposal was submitted to HED by NNMC, but was not included in the Department's funding recommendation for FY08. However, the Department recommends a \$1,000,000 non-recurring appropriation for FY08 for teacher education programs start-up funding.

TECHNICAL ISSUES

The College will need to complete the requirements for regional accreditation from the Higher Learning Commission of the North Central Association to offer graduate degrees and submit the intent to offer such programs to HED and the Board of Finance as required by New Mexico statutes governing graduate program approval.

BM/csd